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OUR HOUSE, INC.
MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND
ACCOUNTANT'S REPORT

DECEMBER 31, 2001

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 08/07/02

OUR HOUSE, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Our House, Inc.
Monroe, Louisiana

We have audited the accompanying statement of financial position of Our House, Inc. (a nonprofit organization) as of December 31, 2001, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Our House, Inc. as of December 31, 2001, and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2002, on our consideration of Our House, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Our House, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organization," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
Monroe, Louisiana
June 19, 2002

OUR HOUSE, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2001

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	80,037
Marketable Securities (Note 4)	26,948
Grant Receivable - Transitional Living	4,407
Grant Receivable - DDHS	20,983
Grant Receivable - LCTF -- Safe Place	5,388
Grant Receivable - LCTF - Responsible Living	1,705
Grant Receivable - Summer Alert	9,479
Grant Receivable - LCLE Victims	4,824
Grant Receivable - CDBG - Mens T/L	3,520
Grant Receivable - GPOA	<u>14,300</u>

TOTAL CURRENT ASSETS 171,591

FIXED ASSETS, NET (Note 3) 240,024

TOTAL ASSETS 411,615

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	<u>3,259</u>
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TOTAL CURRENT LIABILITIES 3,259

NET ASSETS

Unrestricted Net Assets:	
Operating	145,064
Fixed Assets	240,024
Temporarily Restricted Net Assets	<u>24,906</u>

TOTAL NET ASSETS 409,994

UNREALIZED LOSS ON MARKETABLE SECURITIES (NOTE 4) (1,638)

TOTAL LIABILITIES AND NET ASSETS 411,615

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2001

UNRESTRICTED NET ASSETS

PUBLIC SUPPORT AND REVENUE

PUBLIC SUPPORT:

Individuals and Corporations	18,838
Fund Raiser	5,330
Contract Programs	4,590
United Way	48,719
Grant - DHHS	151,192
Grant - CDBG	20,000
Grant - CDBC - Mens Transitional Living	3,520
Grant - JJDP- Summer Alert	19,629
Grant - LCTF Safe Place	5,387
Grant - Transitional Living	58,404
Grant - La Child Trust	5,655
Grant - LCLE - Victims of Crime	4,824
Grant - Responsible Living	6,008
In-Kind Contributions	<u>90,524</u>
<u>TOTAL UNRESTRICTED PUBLIC SUPPORT</u>	442,620

REVENUE:

Membership	885
Interest and Divident Income	3,394
Other Income	<u>675</u>
<u>TOTAL UNRESTRICTED REVENUE</u>	<u>4,954</u>
<u>TOTAL UNRESTRICTED PUBLIC SUPPORT AND REVENUE</u>	447,574

EXPENSES

PROGRAM SERVICES:

Shelter	259,519
LCTF	5,655
Summer Alert	18,953
Transitional Living	57,448
LCTF - Responsible Living	6,007
LCTF - Safe Place	5,388
LCLE - Victims of Crime	<u>4,824</u>
<u>TOTAL PROGRAM SERVICES</u>	357,794

SUPPORTING SERVICES:

Management and General	<u>88,908</u>
<u>TOTAL SUPPORTING SERVICES</u>	<u>88,908</u>
<u>TOTAL EXPENSES</u>	446,702

INCREASE IN UNRESTRICTED NET ASSETS

872

TEMPORARILY RESTRICTED NET ASSETS

24,906

INCREASE IN NET ASSETS

25,778

NET ASSETS, Beginning of Year

384,216

NET ASSETS, End of Year

409,994

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2001

PROGRAM SERVICES

	<u>SHELTER</u>	<u>LCTF</u>	<u>SUMMER ALERT</u>	<u>TRANS- ITIONAL LIVING</u>
<u>SALARIES AND RELATED EXPENSES</u>				
Salaries	128,435	4,250	16,280	28,419
Payroll Taxes & Employee Benefits	<u>11,791</u>	<u>347</u>	<u>650</u>	<u>2,145</u>
<u>TOTAL SALARIES AND RELATED EXPENSES</u>	140,226	4,597	16,930	30,564
<u>OTHER EXPENSES</u>				
Administrative	0	0	0	1,292
Advertising	0	0	0	0
Bank Charges	24	0	0	0
Client Services	5,165	0	0	5,093
Contract Labor	695	0	0	0
Depreciation	14,207	0	0	0
Dues and Fees	1,732	0	0	0
Fund Raise Expense	0	0	0	0
Household Supplies	1,665	0	0	1,017
Insurance	10,068	0	0	1,050
Professional Fees	7,934	0	0	0
Meals & Food	5,672	0	0	1,767
Medical	159	0	0	1,177
Meetings	0	0	0	0
Miscellaneous	571	0	466	0
Office Supplies	2,479	0	0	129
Other Direct Costs	918	0	0	1,843
Postage	600	0	0	109
Rent	1,537	0	0	8,400
Repairs and Maintenance	3,231	0	0	354
Supplies	72	1,058	1,171	660
Telephone	5,152	0	0	513
Travel	4,226	0	386	18
Utilities	7,027	0	0	3,462
In-Kind Costs	<u>46,159</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>TOTAL OTHER EXPENSES</u>	<u>119,293</u>	<u>1,058</u>	<u>2,023</u>	<u>26,884</u>
<u>TOTAL EXPENSES</u>	<u>259,519</u>	<u>5,655</u>	<u>18,953</u>	<u>57,448</u>

PROGRAM SERVICES			SUPPORTING SERVICES	TOTAL
<u>LCTF - RESPONSIBLE LIVING</u>	<u>LCTF SAFE PLACE</u>	<u>LCLE VICTIMS</u>	<u>MANAGEMENT AND GENERAL</u>	
4,681	4,500	3,542	28,193	218,300
<u>121</u>	<u>344</u>	<u>271</u>	<u>2,588</u>	<u>18,257</u>
4,802	4,844	3,813	30,781	236,557
0	0	0	0	1,292
0	0	0	3,394	3,394
0	0	0	12	36
0	0	0	0	10,258
0	0	0	153	848
0	0	0	4,380	18,587
0	0	0	0	1,732
0	0	0	1,957	1,957
0	0	0	416	3,098
0	0	0	1,373	12,491
0	0	0	3,908	11,842
34	0	757	0	8,230
0	0	0	0	1,336
0	0	0	1,626	1,626
17	0	0	381	1,435
0	0	0	620	3,228
0	0	0	918	3,679
0	0	0	190	899
0	0	0	1,537	11,474
0	0	0	3,104	6,689
1,154	272	254	18	4,659
0	0	0	703	6,368
0	272	0	991	5,893
0	0	0	370	10,859
<u>0</u>	<u>0</u>	<u>0</u>	<u>32,076</u>	<u>78,235</u>
<u>1,205</u>	<u>544</u>	<u>1,011</u>	<u>58,127</u>	<u>210,145</u>
<u>6,007</u>	<u>5,388</u>	<u>4,824</u>	<u>88,908</u>	<u>446,702</u>

See Accompanying Notes

OUR HOUSE, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2001

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	25,778
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	18,587
Loss on Sale of Assets	3,226
(Increase) Decrease In:	
Grants Receivable	(18,047)
Increase (Decrease) In:	
Accounts Payable	<u>112</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES

29,656

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Property and Equipment	(37,208)
Proceeds from Sale of Assets	2,500
Increase in Marketable Securities	<u>(4,639)</u>

NET CASH USED IN INVESTING ACTIVITIES

(39,347)

NET DECREASE IN CASH

(9,691)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

89,728

CASH AND CASH EQUIVALENTS, END OF YEAR

80,037

See Accompanying Notes

OUR HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Our House, Inc. is a nonprofit organization based in Monroe, Louisiana. The Organization provides "hotline" services for runaway and troubled teens. The Organization's services also include providing shelter and transportation for troubled teens.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Public Support and Revenue

Annual contributions are recorded as revenue when received and are generally available for unrestricted use unless specifically restricted by the donor.

Grant income is deferred until expended for the purpose of the grant. Unreimbursed expenses are recorded as income and as a grant receivable.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Functional Expenses and Expense Allocation

Functional expenses are expenses that can be identified with a specific program. Expenses for support services have not been allocated among program and supporting services classifications, because time records and estimates were not made by the Organization's management.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash in checking and savings is considered cash and cash equivalent for the purposes of the statement of cash flows.

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)3 of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

Property and Equipment

Assets have been recorded at cost when cost could be determined, and at estimated cost when cost records could not be located. All donated assets have been recorded at estimated fair value on the date of donation. Fixed assets are being depreciated over estimated useful lives using the straight line method.

OUR HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

Contributions

The Organization has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

NOTE 2 - FIXED ASSETS

Assets

Building and Land	199,367
Autos and Trucks	22,079
Furniture and Equipment	<u>68,632</u>
	290,078

Accumulated Depreciation

Building and Land	9,878
Autos	4,739
Furniture and Equipment	<u>35,437</u>
	<u>50,054</u>
Net Fixed Assets	<u>240,024</u>

Depreciation for the year ended December 31, 2001 totaled \$18,587.

NOTE 3 - OPERATING LEASE

The Organization has a one year noncancelable operating lease for a building payable at \$700 per month.

NOTE 4 - MARKETABLE SECURITIES

	<u>Cost</u>	<u>Unrealized Loss</u>	<u>Fair Market Value</u>
Legacy Foundation	10,296	(712)	9,584
Vanguard Group	6,212	(789)	5,423
Legg Mason	<u>12,078</u>	<u>(137)</u>	<u>11,941</u>
	<u>28,586</u>	<u>(1,638)</u>	<u>26,948</u>

OUR HOUSE, INC.
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2001

<u>Federal Grants/Pass-Through Grantor/Program Title</u>	<u>C.F.D.A. Number</u>	<u>Grant Award Number</u>	<u>Current Year Expenditures</u>
U.S. Department of Health and Human Services: Runaway and Homeless Youth Program	93.623	06CY0499	\$151,192
U.S. Department of Housing and Urban Development: Pass-Through from City of Monroe, Louisiana: Community Development Block Grant	14.218	9431.00	20,000
Transitional Living	14.218	LA48897-0702	58,404
Mens Transitional Living	14.218		3,520
Louisiana Commission on Law Enforcement Victims of Crime	J98-8009		<u>4,824</u>
Total			<u>\$237,940</u>

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Our House, Inc.
Monroe, Louisiana

We have audited the financial statements of Our House, Inc. (a nonprofit organization) as of and for the year ended December 31, 2001, and have issued our report thereon dated June 19, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Our House, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provision was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Our House, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management, federal awarding agencies and pass-through entities, and the Legislative Auditor of Louisiana, and it is not intended to be and should not be used by anyone other than the specified parties.

Marcus, Robinson & Hassell

Marcus, Robinson and Hassell
Monroe, Louisiana
June 19, 2002

OUR HOUSE, INC.
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2001

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statement.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section 510(a).
- vi. There were no major federal programs for the year ended December 31, 2001.
- vii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular No.A-133, Section 520(b) was \$300,000.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards:

NONE